



# IBERIA PARISH SCHOOL BOARD

*Children First*

## *Department of Curriculum*

1204 LeMaire Street  
New Iberia, LA 70560-4813  
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Superintendent

C. Michael Judice  
Assistant Superintendent  
of Administration

Carey Laviolette  
Assistant Superintendent  
of Instruction

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Elvin Pradia  
District 2

April 19, 2010

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**SECOND VICE-PRESIDENT**  
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Danny D. Segura  
District 13

Ms. Marlene H. Dortch  
Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

**IMMEDIATE PAST PRESIDENT**  
Dan L. LeBlanc, Sr.  
District 7

RE: Request for Review of a Decision by the Universal Service Administration,  
Schools and Libraries Universal Service Support Mechanism

Clara D. Carrier  
District 1

CC Docket No. 02 -6

Jesse J. "Jay" McDonald  
District 3

Dear Ms. Dortch:

Mary B. "Mel" Davis  
District 4

I am writing to request the review of a decision made by the Universal Service Administrative Company's Schools and Libraries Division regarding a finding in an audit conducted in March 2009. In the Notification of Improperly Disbursed Funds Recovery Letter, dated March 29, 2010, the Iberia Parish School Board was notified that the school district is required to reimburse the program \$8,735.85 for violating rules regarding the transfer of equipment.

Robbie J. LeBlanc  
District 5

Richard L. Denison, Jr.  
District 6

Edwin J. Buford, Jr.  
District 8

Blaine A. Meche  
District 10

Rev. Arthur L. Alexander  
District 12

The situation involving the transfer of equipment is as follows. In May 2008, Lee Street Alternative School was closed unexpectedly. At that time, the Network Administrator identified North Lewis Elementary as the school most in need of the equipment (48-port switches and fiber transceivers) from the closed location. After the transfer occurred, North Lewis was no longer utilizing the 24 port switches purchased in 2006 with eRate funding. In an effort to avoid equipment from remaining idle, a decision was made to transfer North Lewis' equipment to other schools in need of the technology (New Iberia Senior High, Center Street Elementary, and Alternative Center for Education).

Kenric P. "Mushie" Fremin  
District 14

In 2006 when the equipment for North Lewis was ordered, internal connections were also purchased for New Iberia Senior High and Center Street Elementary and funded at 90%, based on FEMA-1603-DR, LA Disaster Declaration and the USDA Waiver Letter. Therefore, the equipment that was transferred to New Iberia Senior High and Center Street Elementary was funded via the same application and funding percentage as North Lewis Elementary (Form 471 Application No. 532585). The Alternative Center for Education, a high poverty school with a 90% discount rating, also received equipment from North Lewis

Elementary. At no time did the Iberia Parish School District transfer equipment from a school with a higher funding percentage to a school with a lower funding percentage. In fact, if it had not been for a school closure, all equipment would still be at its original location.

In summary, our decision to transfer the equipment was based on our desire to prevent eRate equipment from remaining idle. Our decision to transfer to the selected locations was based on need and, most importantly, funding percentages and past 471 applications. At no time did we transfer from a school higher in poverty to a school lower in poverty.

I would also like to share with you a similar situation in regards to schools receiving equipment on a common 471 application and the ruling made by USAC. I am also attaching a copy to this letter.

**Finding ID:** SL2008BE034\_C03

**Finding/Comment Narrative:**

In September 2007, Delcambre Elementary School erroneously received and installed three pieces of eRate funded internal connections equipment that had been requested for Jeanerette High School. Once the error was discovered, the internal connections equipment was not moved to the intended school. The equipment was purchased under the funding year 2006 FRN 1472149 for a post-discount disbursed amount of \$2,913.57. USAC was not notified of the transfer.

**Management Comment:**

USAC does not consider this to be an equipment transfer. Rather this is an instance where the equipment was delivered and installed at the wrong entity; however, the entity was eligible and listed on the FCC Form 471. FCC DA 09-86 indicates recovery is not warranted for this type of violation if the entity would otherwise be eligible to receive the services. Since the entity is eligible to receive services, recovery is not warranted. USAC Management concurs with the finding and recommendation.

I am also submitting the definition of a transfer as per the USAC website, <http://www.usac.org/sl/about/changes-corrections/transfers-equipment.aspx>. Since North Lewis, New Iberia Senior High, and Center Street Elementary were listed on the same 471 application, did we actually transfer the equipment based on the definition below?

**When does a transfer occur?**

Equipment is transferred if it provides service to entities that were not included on the original approved FRN. Therefore, if the equipment provides service to entities that were not included on the original approved FRN, a transfer has occurred. A transfer does not automatically occur because equipment is moved or relocated; rather the question to ask is what entities are being served by the equipment.

In closing, I respectfully request, based on the above justification that you consider the above situation as an "allowable" transfer with no recovery warranted. The Iberia Parish School District has the utmost respect for the eRate program and appreciates all the services that it provides to our students. Without this program, our district would never be able to prepare our students



with the technological skills required to become productive citizens. At no time would we intentionally break the rules or violate the policy.

Please do not hesitate to contact me should you need more supporting documentation or have further questions. My contact information is listed below. Thank you in advance for your consideration.

Sincerely,



Dianne LeBlanc  
Supervisor of Technology  
Iberia Parish School District

Company Name: Iberia Parish School Board  
Billed Entity Name: Iberia Parish School Board  
Billed Entity Number: 139260  
471 Application Number for Transferred Equipment: 532585  
Contact Name: Dianne LeBlanc  
Address: 1204 LeMaire Street  
New Iberia, LA 70560  
Telephone: 337-364-7641  
Fax: 337-367-9611  
E-mail Address: dleblanc@iberia.k12.la.us

Three Attachments:

1. Copy of the USAC Management Response Letter which was sent with the Notification of Improperly Disbursed Funds Recovery Letter
2. Copy of the Beneficiary Response submitted to the audit team
3. Copy of the Funding Disbursement Recovery Report

  
Approved by: Dale Henderson, Superintendent

**Finding ID:** SL2008BE034\_C02

**Finding/Comment Narrative:**

In August 2008, twelve pieces of eRate funded internal connections equipment was transferred from North Lewis Elementary School to three other eligible schools within the Iberia Parish School System: New Iberia Senior High School, the Alternative Center for Education, and Center Street Elementary School. The twelve pieces of internal connections equipment that were transferred were purchased under funding year 2006 FRN 1472264 and the total post-discount disbursement amount for these transfers was \$8,735.85. All transfers occurred less than three years after the purchase date; however, Iberia Parish School Board did not notify USAC of the transfers. The transferred equipment was not being utilized at North Lewis Elementary School due to internal connections equipment that was received from Lee Street Alternative School when it closed in May 2008.

**Management Comment:**

While USAC understands the Beneficiary's reasons for transferring equipment, the fact remains that an ineligible transfer occurred. Therefore, pursuant to DA 09-86 USAC will seek recovery of \$8,735.85. Going forward, the Beneficiary should follow the guidance regarding equipment transfers on USAC's website. USAC management concurs with the finding and recommendation.

**Finding ID:** SL2008BE034\_C03

**Finding/Comment Narrative:**

In September 2007, Delcambre Elementary School erroneously received and installed three pieces of eRate funded internal connections equipment that had been requested for Jeanerette High School. Once the error was discovered, the internal connections equipment was not moved to the intended school. The equipment was purchased under funding year 2006 FRN 1472149 for a post-discount disbursed amount of \$2,913.57. USAC was not notified of this transfer.

**Management Comment:**

USAC does not consider this to be an equipment transfer. Rather this is an instance where the equipment was delivered and installed at the wrong entity, however, the entity was eligible and listed on the FCC Form 471. FCC DA 09-86 indicates recovery is not warranted for this type of violation if the entity would otherwise be eligible to receive the services. Since the entity is eligible to receive the services, recovery is not warranted. USAC Management concurs with the finding and recommendation.



**Attachment 4 to Report of Independent Accountants**  
**Iberia Parish School Board**  
**Beneficiary Responses to Detailed Information Relative to Material Noncompliance,**  
**Material Weaknesses, Significant Deficiencies, or Immaterial Instances of Noncompliance**  
**Presented in Accordance with the Standards Applicable to Attestation Engagements**  
**Contained in *Government Auditing Standards***

Issue Number: SL2008BE034\_C01

Beneficiary Response: "Transfer notification letters were sent to the Schools and Libraries Division on April 28, 2009."

Issue Number: SL2008BE034\_C02

Beneficiary Response: "North Lewis Elementary received internal connections from Lee Street Alternative due to that school's closure. North Lewis was selected as the recipient based on greatest need (need for 48-port switches verses the 24-port switches that were currently installed). After this transfer occurred, North Lewis Elementary was no longer utilizing the 24-port switches. Therefore, a decision was made by the Technology Supervisor and the Network Administrator to transfer the equipment to other eligible entities based on need and funding percentage.

When the switches were ordered for North Lewis in 2006, internal connections were also purchased for New Iberia Senior High and Center Street Elementary. At that time, all schools were funded at 90% based on FEMA-1603-DR, LA Disaster Declaration and the USDA Waiver Letter. Therefore, the equipment that was transferred to New Iberia Senior High and Center Street Elementary was funded via the same application and funding percentage as North Lewis Elementary. The Alternative Center for Education also received equipment from North Lewis Elementary. This school is high poverty and has always received a 90% discount rating.

All transferred equipment is being utilized at its current location. District inventory records clearly document the location of all equipment including the transfer from the original location to the new locations.

In summary, our decision to transfer the equipment was based on our desire to prevent E-rate equipment from sitting idle. At no time did the Iberia Parish School Board transfer equipment from a school with a higher funding percentage to a school with a lower funding percentage. We failed to complete the proper transfer of equipment notification; however, we do not believe a recovery of funds is justifiable because the equipment is being utilized by eligible schools. We are requesting USAC to consider this situation as an "allowable" transfer. In addition, we request an opportunity to rectify our mistake by allowing us to submit the required forms post-audit. We have changed our internal policies to prevent this mistake in the future."

**Funding Disbursement Recovery Report  
for Form 471 Application Number: 532585**

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Funding Request Number: 1472264  
Services Ordered: INTERNAL CONNECTIONS  
SPIN: 143007389  
Service Provider Name: GDS Data Systems Of Texas LLC  
Contract Number: 406420  
Billing Account Number: 337-365-2341  
Site Identifier: 139260  
Funding Commitment: \$25,336.19  
Funds Disbursed to Date: \$25,336.19  
Funds to be Recovered from Applicant: \$8,735.85

**Disbursed Funds Recovery Explanation:**

After a thorough investigation, it has been determined that funds were improperly disbursed on this funding request. During the course of an audit it was determined that the equipment purchased with e-rate funds was transferred to another facility or entity in violation of program rules. FCC rules do not allow for the transfer of eligible services and equipment components of eligible services purchased at a discount under the program, with or without consideration of money or any other thing of value, for a period of three years after purchase unless the original recipient closes. In August of 2008, the applicant transferred twelve pieces of equipment from North Lewis Elementary to three other eligible schools: New Iberia Senior High School, the Alternative Center for Education and Center Street Elementary School. This was less than three years after the purchase date and North Lewis Elementary was not closed. Since a review of your commitment has revealed that equipment was transferred in violation of program rules, USAC must seek recovery of all funds associated with the services, equipment and/or equipment components that were improperly disbursed. Accordingly, USAC is seeking recovery of \$8,735.85 (specific amount of the transferred equipment) which was improperly disbursed.